

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

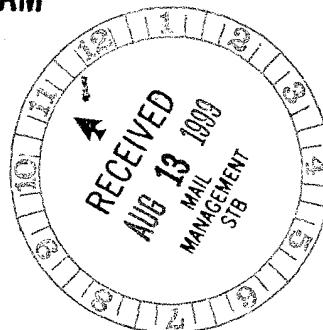
RECORDATION NO. 22342 FILED

VIA UPS NEXT DAY AIR

AUG 20 '99

11-00 AM

August 12, 1999



Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated June 16, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Norfolk Southern Railway Company
110 Franklin Road
Roanoke, VA 24042-0072

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase
Manager of Documentation

Enclosures

(NS019)

EXHIBIT A
to
RIDER NO. 10

AUG 20 '99

11-00 AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 16th day of June, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Norfolk Southern Railway Company (Lessee").

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of August 30, 1996, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 10 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of July 23, 1999 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K. A. DombrowskiName: K. A. DombrowskiTitle: DIRECTOR OF DOCUMENTATION Executed on this 27th day of July, 1999.By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

[CORPORATE SEAL]

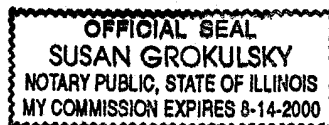
STATE OF ILLINOISCOUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 27th day of July, 1999.

Susan Grokulsky
Notary Public

My Commission Expires:

8-14-2000
(Notary Public)

LESSEE:

NORFOLK SOUTHERN RAILWAY COMPANY

By:

Name: William T. Rousis

Title:

MGR. PURCHASING-CAR

ATTEST:

By:

Name: Paul C. Daess

Title: Ass't. Mgr. Purch.

Executed on this 22nd day of JULY, 1999.

[CORPORATE SEAL]

STATE OF VIRGINIA

COUNTY OF ROANOKE

I, E. L. BARNETT, a Notary Public of the County and State aforesaid, certify that W. T. ROUSIS personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 22 day of JULY, 1999.

E. L. Barnett

Notary Public

Commission Expires:

1-31-2003

(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: 50

DESCRIPTION OF CARS: 50'6" Plate F boxcars with 12' Plug Doors and
15" EOC Cushioning.

CAR NUMBERS: NS 456675 - 456724